

SENATE BILL NO. 416

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY SENATORS ZHAROFF, Jones

Introduced: 2/18/92
Referred: L&C, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act authorizing the commissioner of commerce and economic development to defer
2 certain principal and interest payments on loans made under the fishery enhancement loan
3 program to accommodate transfer of operational responsibility for state-owned hatcheries."

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

5 * Section 1. PURPOSE. It is the purpose of this Act to provide assistance to qualified regional
6 aquaculture associations and their nonprofit corporations in order to accommodate a transfer of
7 operational responsibility for hatcheries that are or have been operated by the state. Deferral of the
8 principal and interest payments due on fisheries enhancement loans by these associations and
9 corporations would provide these entities necessary operating capital without payment of direct state aid
10 by appropriations of state money necessary to make those hatcheries self-sufficient.

11 * Sec. 2. AS 16.10.525 is amended by adding a new subsection to read:

12 (b) In addition to deferral of repayment of principal under (a) of this section, the
13 commissioner may defer repayment of principal on a loan made under AS 16.10.510 by a
14 regional aquaculture association or a nonprofit corporation owned by a regional aquaculture

1 association that qualifies under this subsection. Repayment may be deferred under this subsection
2 for a period of time determined by the commissioner that is sufficient to defray costs of operation
3 of a hatchery from cost recovery fish produced under the hatchery production program, not to
4 exceed five years from the date the qualified regional aquaculture association or nonprofit
5 corporation assumes operating responsibility for the hatchery. Interest on the principal of a loan
6 made under AS 16.10.510 does not accrue during the period of deferral approved by the
7 commissioner under this subsection. The commissioner may defer repayment of a loan under
8 this subsection if

9 (1) the association or corporation holding the loan has entered into an agreement
10 with the state, or is prepared to enter into an agreement with the state, to assume the operational
11 responsibility for and payment of the associated costs of operation of a state-owned hatchery; and

12 (2) in the judgment of the commissioner, deferral of repayment of the loan
13 principal would materially assist the association or corporation to pay the operational costs of the
14 hatchery.